

STC NEWSLETTER

State Tax Commission

January 2006

State Tax Commission's New Office & New Web Site

The STC has officially and finally changed offices. We are now located in Room 840 of the Harry S. Truman State Office Building. The street address is 301 West High Street.

Our telephone number is still 573-751-2414. We no longer have two fax machines; therefore, the fax number to use is 573-751-1341. This number is for all sections.

In addition, all correspondence should be addressed to P.O. Box 146, Jefferson City, MO 65102-0146. Please *do not use the street address* unless you are sending mail by private carrier.

The STC is also pleased to introduce our new web site. It was our intent to make the site more user friendly and to provide useful information to anyone interested in the Tax Commission's duties.

The web site's new address is **www.stc.mo.gov**. If you forget and use the old address, don't worry! You will be redirected to the new site within seconds. Be sure to visit it and let us know what you think.

STATE TAX COMMISSION OF MISSOURI

301 W. High Street
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Jefferson City, MO 65102-0146
Telephone: 573-751-2414
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Bruce E. Davis, Chairman
Sam D. Leake, Commissioner
Jennifer Tidwell, Commissioner

R. Randall Turley, Chief Counsel

Sandy Wankum, Editor

Featuring...



Don Davis

Jasper County Assessor, Don Davis, was elected to that office in 2000 and began serving in September 2001. Don was born and raised in Carthage, and received his education at Carthage High School and Missouri Southern State University.

On January 21, 1967, Don married Kathleen M. Jackson, in Carthage. They have 3 children--Lorie, Donald James, and Kelly—and four grandchildren—Ashley, Meghan, Manieka, and Jordon.

Don has worked in government service since he was 18 years old. He was employed by the Missouri State Highway Department, the USDA Soil Conservation Service, and as a Missouri State Highway Patrolman for thirty years. Don says that all his positions have been rewarding, exciting, interesting, and challenging, but "being elected assessor in my home county meant a tremendous amount to me."

Don has been a Deacon in the Baptist Church, President of the Kiwanis Club,

Past President of Sunshine Home and Innovative Industries, Inc. He has also been active in the Chambers of Commerce in the area, on the Board of the Sunshine Home, and a member and officer of the Kiwanis Club.

Currently, Don is serving as President of the Missouri State Association of County Assessors, and says that being elected by his peers to fill that office is an honor that he never expected.

IN HIS OWN WORDS:

As a child, what did you want to be?
A highway patrolman.

Favorite subject in high school? Girls and history.

Favorite Movie of all Time? The Longest Day

Hobby? Fishing

Most embarrassing moment? When as a highway patrolman, during a traffic stop, my holster broke and my gun fell off in the road.

What people don't know about me . . . I pull for the coyote in the Road Runner cartoons.

Accomplishments I'm most proud of: Serving the citizens of Missouri for 30 years as a highway patrolman and serving as the assessor of Jasper County.

Interesting taxpayer story: The funniest have come from returned assessment sheets. One return declared "1 frozen turkey." Another list showed two boats and a bathtub, and another made a notation after my name "alias Jesse James." And, of course, one personal property return had "none of your damn business" on each line. It seems personal property sheets are a good way to vent.

COMMISSION PROMULGATES AG LAND AND PERSONAL PROPERTY APPEAL RULES

The Commission recently filed amendments to its rules setting agricultural land values for 2007 and clarifying the evidentiary requirements of parties involved in personal property appeals before the Commission.

Section 137.021, RSMo requires the State Tax Commission to promulgate rules establishing the productive value of agricultural land grades. Such a rule must be filed by the end of each odd-numbered year, approved or disapproved by the general assembly in the even-numbered year, and if approved, takes effect in the following odd-numbered year. On December 29, 2005, the Commission, basing its decision on evidence of stagnant farm income, complied with this requirement filing an amendment to its existing rule 12 CSR 30-4.010 indicating that no change in agricultural land values is warranted.

In a second rule, the Commission established procedures that will ensure access to the work files of appraisers, and apply sanctions to any party found to be not complying with these procedures. If finalized in its current form, the new language of rule 12 CSR 30-3.060 will read:

In appeals pertaining to the assessment of personal property, the Commission shall, unless judicial economy or fairness dictates otherwise, require the parties to adhere to the following procedure:

A. Access to the Subject Personal Property—During the initial period of discovery set out in the scheduling order, the property owner must provide reasonable access to the property. The parties are urged to agree to a simultaneous inventory by appraisers of both parties; however, if this proves to be impracticable, the appraiser for the taxing jurisdiction must be given a reasonable amount of time and adequate cooperation to thoroughly inspect and inventory

the subject property.

B. Additional Discovery Period--Scheduling orders shall include, in addition to the initial discovery period, a second period of discovery after the exchange of exhibits. The discovery period shall be short and limited in scope to the work files, as defined by the Uniform Standards of Professional Appraisal Practice (USPAP) and to the depositions of appraisers. Each party's appraiser, upon request of the opposing party and at the cost of the appraiser's client, shall forward to the requesting party a copy of the work file related to the exchanged appraisal. The work file provided shall contain the specific data required in the USPAP standard and not contain extraneous materials which would hinder an efficient examination of the materials.

C. Evidentiary Hearing—The scheduling order shall require all appraisers to have their work file present and accessible at hearing.

D. Sanctions—Upon finding that either party has not complied with a provision of a scheduling order, the Commission shall exact sanctions, which may include exclusion of the offending party's evidence or dismissal of the appeal.

By order, the Commission will abide by those procedures and requirements until the order of rulemaking is finalized

INFORMATION IS JUST A CLICK AWAY

The Department of Agriculture has market summaries available on their web site located at <http://www.mda.mo.gov/> Many Assessors may find this a useful tool when valuing grain and other agricultural crops.

STC STAFF CHANGES

The STC has undergone some staff changes during recent months. After 20 years with the Commission, Art Dellamano retired from his position as Commercial Appraiser with the Ratio Section in Southeast Missouri. His retirement and the previous retirements of several other employees enabled the STC to hire three new staff members.

Michelle Hollida, former Wayne County Assessor, and Deborah Sallings, former Deputy Assessor in Oregon County were hired on September first as Ratio Section appraisers. Michelle will work in Butler, Mississippi, New Madrid, Oregon, Reynolds, and Scott Counties. Deborah will handle Dunklin, Howell, Pemiscot, Ripley, Shannon, and Stoddard Counties.

In the Technical Assistance Section, Hilary Donaldson, previously employed by the Adair County Assessor's Office, began working on October first as an assessment representative in Clark, Knox, Lewis, Monroe, Pike, Putnam, Ralls, Schuyler, Scotland, and Shelby Counties.

Additionally, Richard Moore, who was hired as a hearing officer in July, resigned on October 24, 2005, to assume the position of Deputy Legal Counsel for the Department of Natural Resources.

WOODS APPOINTED RIPLEY COUNTY ASSESSOR

Governor Blunt announced on January 17, 2006, that he is naming Martha "Betty" E. Woods, as Ripley County Assessor. The position was vacated when the previous assessor, Tom Skaggs, resigned due to illness. Ms. Woods, of Doniphan, was employed by Rockford Health System in Illinois for seventeen years before moving back to Missouri in 1997. Woods is active in her community and a member of the Ripley County Historical Society.

Ms. Woods will serve as assessor until August 31, 2007, after which the position will be filled by the winner of the special election held in November 2006. We welcome her into the assessment community and wish her success.



The Livestock Advisory Committee met in Jefferson City on January 19, 2006 to set minimum livestock values for the 2006 tax year. Members of the committee in attendance were: (from left) Don Davis, Jasper; Roger Harrison, Pulaski; Doug Bowerman, Lawrence; James Strahan, Taney; Jim Jones, Webster; Roger Pruden, Bates; Beverly Alden, Caldwell; Don Steen, Miller.

2006 LIVESTOCK MINIMUMS

	Average Market Value	Assessed Value (Rounded)
Cattle		
Calves (300-600 lbs.)	\$375.00	\$45.00
Yearlings (600 lbs. & over)	500.00	60.00
Cows/Bulls	500.00	60.00
Hogs		
Sows/Boars (400 lbs.)	\$125.00	\$15.00
Barrows/Gilts (250 lbs.)	85.00	10.00
Pigs (90 lbs.)	50.00	6.00
Sheep		
Slaughter Lambs (120 lbs.)	\$ 85.00	\$10.00
Replacement Ewes (150 lbs.)	60.00	7.00
Feeder Lambs (80 lbs.)	60.00	7.00
Horses/Colts	\$420.00	\$50.00
Poultry		
Broilers	\$.80	\$.10
Breeding Chickens/Layers	2.50	.30
Turkeys	3.30	.40

ASSESSMENT OF MILITARY PERSONNEL

The assessment of military personnel continues to be an area of confusion, judging from the number of calls we receive on this subject. The law in this area is controlled by the federal Soldiers and Sailors Relief Act of 1940. The United States Supreme Court has stated that military personnel shall not lose their residence or domicile in their home state solely because they are absent from the state in compliance with military or naval orders. However, military personnel stationed away from Missouri still must pay personal property taxes in Missouri assuming they retain Missouri as their state home of record.

The military personnel are treated as though they never left their home state and county. Consequently, assessors should treat the tangible personal property of Missouri personnel stationed in other states or countries the same as if the taxpayer is living in the county and the personal property is present in the state. The other side of the matter, is that the personal property of any individuals residing in your county by means of military orders are not taxable in your jurisdiction, with the exception of business personal property located in Missouri and owned by non-resident military personnel.

The Attorney General issued an opinion [Burrell, Op. Att’y. Gen. No 95 (Feb 16, 1966)] concluding that non-resident military personnel stationed in Missouri may obtain a certificate of no tax due (a waiver) from the collector and license their cars in Missouri without paying property tax on them. If the vehicle is registered jointly with a spouse, the vehicle may not be taxed in Missouri; however, if a military spouse is the sole owner, it should be taxed as any other resident. Verification of the home of record is easily ascertainable by looking at the bottom portion of the “Leave and Earnings Statement” (i.e., paystub) which indicates the individual’s claimed home state of record.

Additionally, section 41.950, RSMo, passed in 1991 in response to the Gulf War, allows military personnel in “a military conflict in which reserve components have been called to active duty” or “a spouse of such person . . . owning property jointly” to delay, without penalties, the filing of any papers and the payment of property taxes for 180 days after such military service. This broad language affects the payment of the tax itself, delinquent payment penalties, and any penalty assessed for not filing a personal property statement in a timely manner.

ASSESSMENT OF PERSONAL PROPERTY

TYPE OF OWNER	LOCATION OF PROPERTY	WHERE THE PROPERTY IS TAXED	LEGAL AUTHORITY
Natural Person Who Is Missouri Resident	In Missouri	County of Residence--Except houseboats, cabin cruisers, floating boat docks, and manufactured homes are assessed where they are located.	137.075, RSMo 137.090, RSMo
Natural Person Who Is Missouri Resident	Outside Missouri	Not Taxable in Missouri	Case Law
Natural Person Who Is <u>NOT</u> Missouri Resident	In Missouri	County Where Property Is Located	Case Law
Corporation	In Missouri	County Where Property Is Located—Over-the-road trucks—where they are based.	137.095, RSMo
Military Person Whose Home of Record Is Missouri	In or Outside Missouri	In Missouri County Where They Entered The Service	Federal Law 50 USC 574
Military Person Whose Home of Record Is <u>NOT</u> Missouri	In Missouri	Nontaxable in Missouri—Except Business Personal Property	Federal Law 50 USC 574